

ANNEXURE A.

Report of the Committee appointed by Government in Government Order No. Fl. 7833-7—G. F. 261-44-4, dated 29th April 1944, in connection with the formation of an Audit and Account Office in the Public Works Department.

The Committee was required to examine and report on the following matters :—

(1) The minimum staff required for the formation of an independent Audit and Accounts Section under the Deputy Comptroller for the Public Works Department.

(2) The powers and functions of the Audit Officer in charge of the new Audit and Accounts Branch and his relationship to the two Chief Engineers and the Comptroller.

(3) Mode of recruitment, promotions and examinations for the Public Audit and Accounts staff.

(4) The desirability of subjecting all final bills to pre-audit by the Audit Officer.

(5) Scrutiny of estimates sanctioned by the Chief Engineers and those submitted to Government.

(6) The verification of Annual Schedule of Rates.

(7) Procedure for the maintenance of accounts of stock, especially in respect of large Capital works, and

(8) Simplification and revision of the processes of Audit and Accounts,

2. The Committee discussed these matters in detail and have arrived at the following conclusions :—

(i) The designation of the Audit and Accounts Office (to be newly formed) may be "THE PUBLIC WORKS DEPARTMENT AUDIT AND ACCOUNTS OFFICE,"

(ii) The designation of the head of the Public Works Department Audit and Accounts Office may be "THE AUDITOR, PUBLIC WORKS DEPARTMENT" and that of his Assistants "ASSISTANT AUDITOR, PUBLIC WORKS DEPARTMENT."

(iii) *Location of the Office.*—When a new building is taken for housing the offices of the Chief Engineers, accommodation may be provided therein for the Public Works Department Audit and Accounts Office also and, for the time being, this office may be located in the Insurance Office Building where the Work Audit Sections are at present located.

(iv) *Auditor's powers and relationship with the Chief Engineers and the Comptroller:*—

(a) The Auditor, Public Works Department, will in addition to being the principal Audit and Accounts Officer for the Department afford financial advice and assistance to the Departmental Officers and see that objections are avoided or cleared immediately in consultation with the Chief Engineers. He is also expected to take all necessary steps for the improvement of the procedure relating to the accounting of receipts and expenditure.

(b) The Comptroller as the Head of the Accounts Department will exercise all powers in regard to general supervision over the Public Works Department Audit and Accounts Office. He will inspect the Audit Office once in two years. He should submit a report to Government at the end of the first year regarding the working of the new Audit Office.

(c) All appointments in the Public Works Department Audit and Accounts Office above Rs. 100 will be borne in the cadre of the Comptroller's Office. All appointments on Rs. 100 and below including the Divisional Accounts staff will be formed into a separate cadre and the Auditor, Public Works Department, will be the Unit Officer and the Chief Engineer will be the Controlling Officer in respect of these appointments. Officials working in the departments other than the Audit and Accounts Office may also be transferred to the Public Works Department Audit and Accounts Office provided they are qualified according to rules.

(d) When there is any difference of opinion between the Auditor and the Chief Engineers, the matter may be referred to the Comptroller for decision. But if the Chief Engineers are unable to accept the Comptroller's decision, they may address Government for final orders. All Government Orders over-ruling audit views shall invariably issue through the Financial Department.

(e) In routine matters like furnishing figures, leave certificates, etc., the Auditor may correspond direct with Government. The Auditor may exercise the powers delegated to the Auditor, Electrical Department, in regard to appointments, transfers, postings, etc.

(v) The records of the Audit Office should be maintained separately and should not be mixed up with the records of the Administrative Sections.

(vi) *Scrutiny of Estimates.*—In respect of estimates that require sanction of Government or the Chief Engineers, the estimates will be scrutinised by the Auditor before they are submitted for sanction and certified to be correct regarding grants, etc. The Divisional Accountants will also similarly scrutinise and certify the estimates sanctioned by the Executive Engineers,

(NOTE.—The two Chief Engineers consider that this para may be deleted).

3. Introduction of the pre-audit system in respect of works and other bills of the Public Works Department.

After considerable discussion on the subject, it was decided that for the present the audit procedure obtaining in the Comptroller's Office regarding the Public Works Department may continue and that in the meanwhile, the Auditor shall investigate, in consultation with the Chief Engineers, the possibility of introducing a system of pre-audit in the department after the new Audit Office has worked for some time and furnish a report to Government through the Comptroller.

4. Simplification and revision of the processes of Audit and Accounts.

It was brought to the notice of the members that the Special Finance Officer (Mr. M. Subramanyam, I.C.E., Retired Accountant-General, Madras) who has pressed this point has not given a detailed note regarding the methods of simplification, and that in respect of establishment, salary and travelling allowance bills, some of his suggestions have already been accepted by Government. It was therefore decided that the Chief Engineers and the Comptroller may submit a suitable proposal to Government after the new Audit Office has worked for some time.

5. Maintenance of Accounts relating to Stock.

It was considered that the present rules in the Public Works Account Code relating to purchase of stores with reference to estimates and requirements, issue of purchase orders, verification of indents are not complete and that the Auditor may, in consultation with the Chief Engineers, suggest necessary changes preferably on the lines existing in the Electrical Department with modifications.

6. Preparation of Annual Schedule of Rates and their verification.

It was considered that though it may be desirable that the Annual Schedule of Rates should be verified by the Auditor before it is approved by the Chief Engineers no change in the existing procedure is necessary as the present time is very inopportune and the rates are widely fluctuating after the war.

7. Mode of recruitment for the Public Works Department Audit and Accounts Office.

It was considered that unless the existing recruitment rules are modified at least temporarily the advantages of the

new Audit Office will not be realised since most of the Divisions and Audit Sections are very badly understaffed for want of adequate personnel and even if additional staff is sanctioned by Government, no purpose will be served if the posts are not filled in and hands are not available.

8. Divisional Staff.

It was pointed out by the Chief Engineer for Irrigation that the scale of Accounts Establishment in the Divisions as also the Public Works Department Clerical Establishment which was fixed long back should be permanently increased and the Committee considered that detailed proposals in the matter may be separately worked out by the Auditor in consultation with the Chief Engineers.

9. The minimum staff required for the Audit and Accounts Office.

(a) *Gazetted Officers.*—The committee considers that the following gazetted officers are necessary for the new office.

- 1 Deputy Comptroller on Rs. 500—50/2—750.
- 2 Assistant Comptrollers on Rs. 250—40/2—450.
- 1 Gazetted Chief Superintendent on Rs. 250.

The Comptroller has agreed to release one Assistant Comptroller who is now attached to the Work Audit Sections in his Establishment (*vide* his letter No. 3413, dated 16th May 1945). Government has recently sanctioned the formation of a District Treasury and a separate Gazetted Officer for it, thereby reducing the work in the State Huzur Treasury considerably. After the transfer of the Audit and Inspection work relating to the Public Works Department and Agricultural Offices to the New Financial Branches attached to these departments, there will be considerable reduction in the inspection work of the Central Office and also in the Audit work of the Gazetted and Travelling Allowance Sections and in the Establishment and Pay Sections of the Central Office. The Committee therefore considers that the existing three Local Audit Circles may be two and one more Assistant Comptroller on Rs. 250—40/2—450 and one Chief Superintendent on Rs. 160—10—250 plus D.A. Rs. 20 may also be released by Comptroller from his staff. The two Assistant Comptrollers and the Chief Superintendent may be released immediately.

(b) *Superintendents.*—At present, there are four sections working in the Work Audit Group of the Comptroller's Office and Comptroller has agreed to transfer the four Superintendents and the staff working or sanctioned for these sections. An additional section has to be formed in the new office to attend to the disposal of unofficial references from the Chief Engineers and Government, verification of estimates and schedules of rates, audit of salary and travelling allowance bills, frequent inspections and proper disposal of inspections, typing, tappals, despatch and other miscellaneous items of work now being done in the Comptroller's Office in separate sections. An additional Superintendent on Rs. 160—10—250 may therefore be sanctioned by Government for this section as proposed by the Comptroller.

(c) *Arrear Work.*—The work in the Comptroller's Office is heavily in arrears. One of the main reasons for the formation of the new office is to improve work and avoid such arrears at least in future. The Committee considers that a special staff of one Superintendent on Rs. 160—10—250 and six Accounts Clerks on Rs. 40—3—70—5—100 may be sanctioned temporarily for a period of one year to clear the arrears, conducting a test audit wherever feasible and desirable under the instructions of the Deputy Comptroller. The extra cost on this account may be met out of the General Savings in the sanctioned expenditure of the Comptroller's Office where vacancies are still not filled up for want of suitable hands under the Recruitment Rules.

(d) *Accountants and Menials.*—In addition to the staff referred to in para (b) above, the Comptroller has agreed during the discussions at the Committee meeting to release two more Accounts Clerks on Rs. 40—3—70—5—100 now working in the sections of his office other than the Work Audit Group. The Committee considers that the following additional clerical and menial establishment may be sanctioned by Government for the increased work referred to in para (b) above.

Eight additional II Grade Clerks on Rs. 25—2½—50 and two I Grade Clerks on Rs. 40—3—70—5—100 against 10 first grade Accounts Clerks and 3 second grade accounts clerks proposed by the Comptroller.

One typist on Rs. 30—3—60—5—100 (against Rs. 30—3—60) proposed by the Comptroller.

One Daffedar on Rs. 15—1/2 yrs.—18.

Five Menials on Rs. 11—1/2 yrs.—15.

Note.—Regarding Jog, the above proposals do not take into account the amalgamation of the Jog Audit Office with that of the Auditor, Public Works Department. The Auditor will send up separate proposals for this after the Audit Office is formed. The two Chief Engineers consider that a separate Auditor at Jog for Civil Engineering Works is not necessary and that two Assistant Auditors at the place in lieu of one Deputy Comptroller and one Assistant Auditor is more than ample.

(e). To sum up the Gazetted Officers and other officials to be transferred by the Comptroller from his establishment and the extra staff to be sanctioned by the Government are noted below:—

Establishment to be transferred by the Comptroller.

2 Assistant Comptrollers on Rs. 250—40/2—450.	1 Assistant Comptroller in-charge of W.A.D. Section and 1 from Inspection Group.
1 Chief Superintendent on Rs. 160—10—250 plus Rs. 20 duty allowance.	
3 Test Audit Accountants on Rs. 40—3—70—5—100.	
2 Menials	Rs. 11—1/2 yrs.—15.
1 First Grade Superintendent working in the Work Audit Sections.	Rs. 160—10—250.
3 Second Grade Superintendents	Rs. 118—6—160.
2 Accounts Clerks now attending to work in Gazetted and T.A. Audit Pay, Typing, Tappal and other sections.	Rs. 40—3—70—5—100.
All the staff now working or sanctioned for the Work Audit Group (<i>Vide</i> Appendix).	To be separately listed.
6 Menials working in the W.A.D. and the menials working with the Gazetted Officers.	Rs. 11—1/2 yrs.—15.
15 Leave Reservists at 12½ per cent of the Establishment released.	Rs. 25—2½—50.
All the Divisional Accountants working or sanctioned including corresponding leave reservists at 12½ per cent of the appointments.	To be separately listed a all existing vacancies to be filled up by the Comptroller.

Extra Staff to be sanctioned by Government.

	Cost per month	
	Permanent	Temporary
	Rs.	Rs.
1 Deputy Comptroller (Rs. 500—50/2—750).	662	...
1 Superintendent (Rs. 160—10—250)	220	...
8 Second Grade Clerks on (Rs. 25—2½—50)	337	...
2 First Grade Clerks (Rs. 40—3—70—5—100).	148	...
1 Typist (Rs. 30—3—60—5—100)	67	...
1 Daffedar (Rs. 15—1/2 yrs.—18)	17	...
5 Menials (Rs. 11—1/2 yrs.—15)	68	...
<i>Temporary for arrear work.</i> —		
1 Superintendent Rs. 160—10—250	...	220
6 First Grade Clerks Rs. 40—3—70—5—100	...	444
	1,513	664

ANNEXURE B.

Constitution of the Public Works Audit and Accounts Office.

1. Office.

The office shall be called "The Public Works Department Audit and Accounts Office."

2. Officers.

The designation of the Head of the Public Works Audit and Accounts Office shall be "The Auditor, Public Works Department" and that of his gazetted assistants "Assistant Auditor, Public Works Department."

3. Location.

The office may be located in the Government Insurance Buildings and as soon as possible located in the same building as that of the office of the Chief Engineers.

4. Powers of the Auditor and his relationship with the Comptroller.

The Comptroller as the head of the Audit and Accounts Department will exercise general supervision over this office. He will inspect the audit office once in two years. The Auditor may dispose of all routine questions arising in the course of audit, etc., he being guided by the Audit and Accounts Codes of the Department and circulars and instructions of the Comptroller. All important questions in regard to Audit and Accounts will be decided by the Comptroller, if necessary, by personal discussion with the Auditor. References to Government by the Auditor will be made in consultation with and through the Comptroller except in routine matters like furnishing figures, leave certificates, etc. The Auditor will exercise the powers delegated to the Auditor, Electrical Department, in regard to appointments, transfers, postings, etc.

5. Auditor's relationship with the Chief Engineers.

The Auditor will be the Financial Adviser to the Chief Engineers in all the matters relating to Finance and Accounts and the Auditor should be consulted freely in all matters by the

Chief Engineers in order to minimise subsequent audit objections. The Auditor will dispose of all questions arising in the course of audit according to rules, difficult and doubtful points being referred to the Comptroller for orders. Before referring any such matter to the Comptroller, the Auditor should obtain a statement of the case signed by the Chief Engineer and record his views. When the Chief Engineers are unable to accept the Comptroller's decision, they may address the Government in the Administrative Department for final orders. All Government Orders over-ruling audit shall invariably issue through the Finance Department.

Accounts of the Department.—The Divisional Officers will as hitherto continue to be independent accounting units and forward their monthly accounts to the Public Works Department Audit and Accounts Officer for audit and consolidation of accounts for the whole of the Public Works Department and their transmission to Comptroller.

Staff.—The staff to the Public Works Audit and Accounts Office will include (1) the audit and accounts staff now working in the divisions, (2) staff to be released by the Comptroller and extra staff as now sanctioned. (*Vide* Annexure C.)

(b) All appointments in the Public Works Department Audit and Accounts Office above Rs. 100 will be borne in the cadre of the Comptroller's Office. All appointments on Rs. 100 and below including divisional accounts staff will be formed into a separate cadre and the Auditor, Public Works Department, will be the Unit Officer and the Chief Engineers will be the controlling officers in respect of these appointments. Officials who are working in other departments may also be transferred to the Public Works Department Audit and Accounts Office against posts of Rs. 100 and below provided they are qualified.

ANNEXURE C.

Establishment to be transferred from the Comptroller's Office:—

- 2 Assistant Comptrollers on Rs. 250—40/2—250 and one Chief Superintendent on Rs. 160—10—250 plus Rs. 20 duty allowance.
- 3 Test Audit Accountants on Rs. 40—3—70—5—100.
- 2 peons on Rs. 11—1/2 yrs.—15.
- 1 First Grade Superintendent on Rs. 160—10—250.
- 3 Second Grade Superintendents on Rs. 118—6—160.
- 2 Accounts Clerks now attending to Establishment, Salary, etc., bills on Rs. 40—3—70—5—100.
- All the staff now working and To be separately sanctioned for work audit listed and hands transferred.
- Six menials attached to Working Audit Department on Rs. 11—1/2 yrs.—15.
- 15 leave reservists at 12½ per cent of the staff released on Rs. 25—2½—50.

- All the Divisional Accounts staff including leave reserves To be separately listed and transferred.

Extra staff sanctioned by Government.

	Rs.
1. One Deputy Comptroller	500—50/2—750
2. One Superintendent	160—10—250
3. Two First Grade Clerks	40—3—70—5—100
4. Eight Second Grade Clerks	25—2½—50
5. One Typist	30—3—60—5—100
6. One Daffedar	15—1/2 yrs.—18
7. Five menials	11—1/2 yrs.—15

Temporary for clearance of arrear work for one year only.

	Rs.
1. Superintendent	160—10—250
2. 6 First Grade Clerks	40—3—70—5—100

FOOD SECRETARIAT

Passes orders revising the composition of foodgrain rations to "A" and "B" class cardholders in rural areas.

READ—

Government Order No. SD. 5741-52—R. 50-45-11, dated the 14th February 1946, revising the scale of foodgrain rations throughout the State and fixing the ordinary rations at 12 oz. per head per day.

2. Government Order No. SD. 1663-73—R. 55-46-3, dated the 14th August 1946, revising the composition of foodgrain rations with effect from 20th August 1946.

3. Letter No. B1. C. 1683—46-47, dated the 6th September 1946, from the Director of Food Supplies recommending that the composition of the rural "A" class ration may be made identical with that in urban areas.

ORDER No. SD. 2729-39—R. 55-46-6, DATED BANGALORE, THE 19TH SEPTEMBER 1946.

Government are pleased to direct that the composition of

the rations fixed under the Government Order of 14th August 1946, read above, in respect of "A" and "B" class cardholders in rural areas, be also fixed as under with effect from the 25th of September 1946:—

Area	Card-holders	Scale of rations per adult per day			Total
		Rice	Wheat	Millets	
Rural	...	ozs. 7-2	ozs. 4-8	ozs. ...	ozs. 12
Rural	...	2-4	2-4	7-2	12

K. SRINIVASAN, Food Secy.